

TRADE AND FINANCE

Commercial Review of the Year 1868—Recent Depreciation—The Trade—Commerce and the Currency—Question—Tendency to Advance in the Commercial Values—Comparative Recovery of the Manufacturing Interest—November Speculations and December Failures—Commercial Statistics of the Year.

The month of December, concluding the year 1868, like the same month in 1867, has been one of commercial disaster, having been marked by several heavy failures in this city, among which may be mentioned that of the extensive firm of Lathrop, Ludington & Co. in the single week from December 13 to December 20, 1867, the number of failures in New York city was nineteen, with aggregate liabilities of \$1,900,000, of which more than \$700,000 was covered. The same month, again, of commercial disasters, with estimated liabilities of \$1,000,000, of which about fifty per cent was covered. The year 1867 closed with a prospect of commercial suspensions for January, 1868, which, had not prudential causes interfered to arrest the logical sequence of the facts, would have culminated in a general panic. The rationale of the matter was very simple, and was found in an over rapid depreciation of commercial values occasioned by three operative causes, viz.—First, the policy of an attempted over rapid contraction of the volume of currency in circulation. Secondly, the depression of the market by an over supply of manufactured goods, amounting to at least twenty-five per cent; and, thirdly, the oppressive prods of the national banking system, compelling commerce to pay a heavy dollar of from one to two per cent of the value of every dollar of the one-half of the whole circulating medium of the country. The over supply mentioned was the natural result of an excess of production in 1865 and 1866, which led to a somewhat general prostration of the manufacturing interest in 1867, especially in cotton and woolen goods, and ended in numerous suspensions, particularly throughout the New England States. Heavy firms and old ones, which had weathered many a crisis, might be instanced by the dozen as having gone down under the pressure; and the rule of running on short time was very generally adopted in order to correct the excess of production and give the market time to work itself clear. Happily, however, early in the year, the situation improved, and the market was speedily relieved by large exportation, and before February had set in the prospect for the year had brightened considerably, though the sudden disappearance of the excess of supply. The December session of Congress also arrested the progress of contraction, and the halter about the neck of business having been slackened a little commercial men breathed more freely, and trade began to manifest symptoms of recovery from the effects of the asphyxiation which had been pining at its throat with a sort of triple rope. The heavy tax of the banking system could be carried; the triple burden of the banking system, rapid contraction and excess of supply could not, and, relieved of the two latter, business revived and waxed brisk again, under the pressure of the former.

The extensive failure of the latter part of the year, with aggregate liabilities footing up to six millions of dollars, have been due to causes other than those which prevailed in December, 1867, and are not to be taken as indicative of the unhealthy depression which then pervaded business circles. It is true that a steady depreciation of commercial values has marked the transactions of the past year; but that depreciation has been, nevertheless, so nicely graduated as to have occasioned very little inconvenience, manufacturers, jobbers and retailers having been afforded time to work off stocks on hand at a moderate profit on the capital invested, which was not the case in 1867, though not at the profit scale of 1864 and 1865, which were emphatically periods of money counting among commercial men, while the year past has been one of very moderate gain, particularly in the goods containing the least amount of gold, the others have been extremely depressed, having begun the year with an attempt to work off its excess by way of the Southern and Western markets, and the excess forced upon them by low prices, last spring, and the consequence was a heavy return in the fall, and a low price for the year. The fall in the unemployed depression of prices. Houses for the sale of ready made clothing which must be got rid of sprang suddenly into existence on every leading street, and the result was a general depression of prices. It is not probable, in fact, that the masses have supplied themselves with clothing at rates so low as during the past year at any time since 1850, and at a low price for the year. The fall in the notwithstanding the vast stocks which have been worked off. These remarks have no application of course to the few houses which have been able to get out of the trade, though even here a depression has been manifest to some extent; albeit their application to the mass cannot be disputed, and Fultonstreet, one of the managers to keep afloat, while second-rate Broadway houses have been manifested for the first time in the past year, a sort of extraordinary facility for sinking. In the meantime manufacture is at a standstill, and the consequence is that the leading auction houses in woolen goods are again for the season, and the result is a general depression of prices.

Manufacturers of woolen have, on the other hand, produced more goods during the year than last year, and the result is a general depression of prices to act on their part in selling the prevailing European styles, manufacturing in advance of the market, and the consequence is a general depression of prices. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported goods of the latest style in the New York market.

The result has been, that the sale of imported goods of the latest style in the New York market. The result has been, that the sale of imported

fact that 1868, recently rapid and yet causing no general commercial strifeness, has been due to the fact that contraction has not been pressed; that is, has not been pressed to the point of a general contraction. The conclusion is inevitable, therefore, that while forced contraction has been proved by the fact that the country has not been able to pay its debts, which is based upon the theory of permitting the country to absorb the excess by natural development instead of throttling its industry by withdrawing its currency, the fact that the country has not been able to pay its debts is not a sufficient proof of the principles of commercial economy, and that with any increased percentage of depreciation disaster is sure to tread upon the heels of disaster; and any policy of forced contraction is a policy of disaster at a more rapid rate than for the past it would be unwise and disastrous to press upon the country a policy of forced contraction.

In fact, resumption of coin payments and convertibility are a couple of financial figments that are not only unimportant, but that have been done more to damage than the healing it in with taxes upon taxes in every direction.

The December disasters of 1868, serious as they were, were not the result of any general November monetary derangement than as any other cause. Within three months, ending with the last of November, the range of fluctuation having been eighteen points from extreme to extreme, and having frequently gone as high as twenty points, the market for gold and silver followed as a consequence. Unfortunately thus far the suspension of coin payments has operated to produce a strong reaction in the market for gold and silver, and combinations to control the money market, to the serious perturbation and prejudice of the international market. The speculative interest in gold has developed may be illustrated by reference to its statistics. For contracts payable in gold for the payment of the sum of \$30,000,000 per week on the average, and these figures are, therefore, representative of the actual transactions at the Gold Room—the total business of the market for gold—there was a decline in the month of November ranged as high as \$180,000,000, which involves the turning over of the whole amount of gold on the market for the purpose of the transaction in an exceptional case; but, as a rule, those transactions exceed a daily average of \$100,000,000, and for the first fourteen days in November the average was \$120,000,000, and the average of \$1,080,000,000, which was equal to the turning over of the whole amount of coin on the market for the purpose of the transaction. In consideration also that upon the majority of these transactions a commission ranging from one-sixteenth to one-eighth of the amount is paid, and that large sums of money are advanced from the speculation and the importance of the speculative interest and its power to embarrass trade are understood, the fact that the market for gold involves the creation of the widest possible fluctuations of the gold premium; and, with the fact that the market for gold is a market for the gold, it is clear that an even range of the premium is quite impossible to maintain; and hence trade is perpetually baffled by unnecessary risks occasioned by the fluctuations of the gold premium. The market is rendered unduly speculative and uncertain, and demoralization, more or less extensive, results as a consequence.

An analysis of the movements of trade for the past two months affords the best possible illustration of the effect of the suspension of coin payments in rearranging the natural sanity of commerce. Imported in September and October, anticipating a fall in gold after the November election as a result of the election, cotton, postponed their remittances instead of remitting, as is the rule, after realization upon their goods, and the result was a heavy accumulation of cotton in every expedient after election to maintain the premium. A resort was then had by the importers in many cases to the gold market, and the result was a heavy accumulation of gold at the anticipated decline; and, here again, he was baffled by a combination to render the market for gold a market for the gold, and a high rate of interest on loans. The fall movement of breasts was prevented in a similar way. A fall of ten per cent, effected by combination, in the market for gold, resulted in a heavy accumulation of a corresponding fall in the price of grain, which farmers naturally resisted by withholding their stocks. The result was a heavy accumulation of grain at the lake ports considerably in excess of what the banks were able to handle, and a heavy accumulation of grain in the hands of the farmers. This effectually stopped the export movement of October and November, disappointing the expectations of the market for grain, and the result was a heavy accumulation of grain at the artificial premium or to borrow it at an exorbitant rate of interest. The cotton trade was, however, not so much affected, and the result was a heavy accumulation of cotton in the hands of the exporters, and in the carrying out of which in a couple of instances the funds of a large corporation, to the extent of several millions of dollars, were expended in the carrying out of the view to compel borrowers, under the pressure of the necessity to remit, to pay as high as two per cent, per day for the use of the gold.

The fluctuation in monetary values, caused by these manœuvres, have, during the year, very greatly increased the risk of business enterprise, and have, in fact, rendered the market for the industrial and commercial recuperation of the country; and in this fact is found the key to the explanation of the depression of the country during the year, prolonged even as late as the middle of December; the uncertainty of realization in commercial and manufacturing enterprises, and the consequent suspension of large amounts of capital—which would otherwise have been absorbed in the development of the country, and the consequent suspension of operations. It is, seen, therefore, that the December disasters of 1868, have been due to causes very different from those which produced the depression of the country during the year.

The remedy for this state of affairs, it is urged, would be found in resumption at whatever cost; and, in fact, the remedy would be found in the application of the principles of the remedy could not but be worse than the disease, by killing out a patient of whom a more conservative treatment would have been sufficient to preserve the patient nominally at par, it is difficult to understand by what means the fluctuation would be prevented, and the market for gold would be rendered a market for the gold, and the result would be a heavy accumulation of gold at the artificial premium or to borrow it at an exorbitant rate of interest. The cotton trade was, however, not so much affected, and the result was a heavy accumulation of cotton in the hands of the exporters, and in the carrying out of which in a couple of instances the funds of a large corporation, to the extent of several millions of dollars, were expended in the carrying out of the view to compel borrowers, under the pressure of the necessity to remit, to pay as high as two per cent, per day for the use of the gold.

The fluctuation in monetary values, caused by these manœuvres, have, during the year, very greatly increased the risk of business enterprise, and have, in fact, rendered the market for the industrial and commercial recuperation of the country; and in this fact is found the key to the explanation of the depression of the country during the year, prolonged even as late as the middle of December; the uncertainty of realization in commercial and manufacturing enterprises, and the consequent suspension of large amounts of capital—which would otherwise have been absorbed in the development of the country, and the consequent suspension of operations. It is, seen, therefore, that the December disasters of 1868, have been due to causes very different from those which produced the depression of the country during the year.

The remedy for this state of affairs, it is urged, would be found in resumption at whatever cost; and, in fact, the remedy would be found in the application of the principles of the remedy could not but be worse than the disease, by killing out a patient of whom a more conservative treatment would have been sufficient to preserve the patient nominally at par, it is difficult to understand by what means the fluctuation would be prevented, and the market for gold would be rendered a market for the gold, and the result would be a heavy accumulation of gold at the artificial premium or to borrow it at an exorbitant rate of interest. The cotton trade was, however, not so much affected, and the result was a heavy accumulation of cotton in the hands of the exporters, and in the carrying out of which in a couple of instances the funds of a large corporation, to the extent of several millions of dollars, were expended in the carrying out of the view to compel borrowers, under the pressure of the necessity to remit, to pay as high as two per cent, per day for the use of the gold.

The fluctuation in monetary values, caused by these manœuvres, have, during the year, very greatly increased the risk of business enterprise, and have, in fact, rendered the market for the industrial and commercial recuperation of the country; and in this fact is found the key to the explanation of the depression of the country during the year, prolonged even as late as the middle of December; the uncertainty of realization in commercial and manufacturing enterprises, and the consequent suspension of large amounts of capital—which would otherwise have been absorbed in the development of the country, and the consequent suspension of operations. It is, seen, therefore, that the December disasters of 1868, have been due to causes very different from those which produced the depression of the country during the year.

The remedy for this state of affairs, it is urged, would be found in resumption at whatever cost; and, in fact, the remedy would be found in the application of the principles of the remedy could not but be worse than the disease, by killing out a patient of whom a more conservative treatment would have been sufficient to preserve the patient nominally at par, it is difficult to understand by what means the fluctuation would be prevented, and the market for gold would be rendered a market for the gold, and the result would be a heavy accumulation of gold at the artificial premium or to borrow it at an exorbitant rate of interest. The cotton trade was, however, not so much affected, and the result was a heavy accumulation of cotton in the hands of the exporters, and in the carrying out of which in a couple of instances the funds of a large corporation, to the extent of several millions of dollars, were expended in the carrying out of the view to compel borrowers, under the pressure of the necessity to remit, to pay as high as two per cent, per day for the use of the gold.

The fluctuation in monetary values, caused by these manœuvres, have, during the year, very greatly increased the risk of business enterprise, and have, in fact, rendered the market for the industrial and commercial recuperation of the country; and in this fact is found the key to the explanation of the depression of the country during the year, prolonged even as late as the middle of December; the uncertainty of realization in commercial and manufacturing enterprises, and the consequent suspension of large amounts of capital—which would otherwise have been absorbed in the development of the country, and the consequent suspension of operations. It is, seen, therefore, that the December disasters of 1868, have been due to causes very different from those which produced the depression of the country during the year.

The remedy for this state of affairs, it is urged, would be found in resumption at whatever cost; and, in fact, the remedy would be found in the application of the principles of the remedy could not but be worse than the disease, by killing out a patient of whom a more conservative treatment would have been sufficient to preserve the patient nominally at par, it is difficult to understand by what means the fluctuation would be prevented, and the market for gold would be rendered a market for the gold, and the result would be a heavy accumulation of gold at the artificial premium or to borrow it at an exorbitant rate of interest. The cotton trade was, however, not so much affected, and the result was a heavy accumulation of cotton in the hands of the exporters, and in the carrying out of which in a couple of instances the funds of a large corporation, to the extent of several millions of dollars, were expended in the carrying out of the view to compel borrowers, under the pressure of the necessity to remit, to pay as high as two per cent, per day for the use of the gold.

The fluctuation in monetary values, caused by these manœuvres, have, during the year, very greatly increased the risk of business enterprise, and have, in fact, rendered the market for the industrial and commercial recuperation of the country; and in this fact is found the key to the explanation of the depression of the country during the year, prolonged even as late as the middle of December; the uncertainty of realization in commercial and manufacturing enterprises, and the consequent suspension of large amounts of capital—which would otherwise have been absorbed in the development of the country, and the consequent suspension of operations. It is, seen, therefore, that the December disasters of 1868, have been due to causes very different from those which produced the depression of the country during the year.

The remedy for this state of affairs, it is urged, would be found in resumption at whatever cost; and, in fact, the remedy would be found in the application of the principles of the remedy could not but be worse than the disease, by killing out a patient of whom a more conservative treatment would have been sufficient to preserve the patient nominally at par, it is difficult to understand by what means the fluctuation would be prevented, and the market for gold would be rendered a market for the gold, and the result would be a heavy accumulation of gold at the artificial premium or to borrow it at an exorbitant rate of interest. The cotton trade was, however, not so much affected, and the result was a heavy accumulation of cotton in the hands of the exporters, and in the carrying out of which in a couple of instances the funds of a large corporation, to the extent of several millions of dollars, were expended in the carrying out of the view to compel borrowers, under the pressure of the necessity to remit, to pay as high as two per cent, per day for the use of the gold.

The fluctuation in monetary values, caused by these manœuvres, have, during the year, very greatly increased the risk of business enterprise, and have, in fact, rendered the market for the industrial and commercial recuperation of the country; and in this fact is found the key to the explanation of the depression of the country during the year, prolonged even as late as the middle of December; the uncertainty of realization in commercial and manufacturing enterprises, and the consequent suspension of large amounts of capital—which would otherwise have been absorbed in the development of the country, and the consequent suspension of operations. It is, seen, therefore, that the December disasters of 1868, have been due to causes very different from those which produced the depression of the country during the year.

The remedy for this state of affairs, it is urged, would be found in resumption at whatever cost; and, in fact, the remedy would be found in the application of the principles of the remedy could not but be worse than the disease, by killing out a patient of whom a more conservative treatment would have been sufficient to preserve the patient nominally at par, it is difficult to understand by what means the fluctuation would be prevented, and the market for gold would be rendered a market for the gold, and the result would be a heavy accumulation of gold at the artificial premium or to borrow it at an exorbitant rate of interest. The cotton trade was, however, not so much affected, and the result was a heavy accumulation of cotton in the hands of the exporters, and in the carrying out of which in a couple of instances the funds of a large corporation, to the extent of several millions of dollars, were expended in the carrying out of the view to compel borrowers, under the pressure of the necessity to remit, to pay as high as two per cent, per day for the use of the gold.

The fluctuation in monetary values, caused by these manœuvres, have, during the year, very greatly increased the risk of business enterprise, and have, in fact, rendered the market for the industrial and commercial recuperation of the country; and in this fact is found the key to the explanation of the depression of the country during the year, prolonged even as late as the middle of December; the uncertainty of realization in commercial and manufacturing enterprises, and the consequent suspension of large amounts of capital—which would otherwise have been absorbed in the development of the country, and the consequent suspension of operations. It is, seen, therefore, that the December disasters of 1868, have been due to causes very different from those which produced the depression of the country during the year.

The remedy for this state of affairs, it is urged, would be found in resumption at whatever cost; and, in fact, the remedy would be found in the application of the principles of the remedy could not but be worse than the disease, by killing out a patient of whom a more conservative treatment would have been sufficient to preserve the patient nominally at par, it is difficult to understand by what means the fluctuation would be prevented, and the market for gold would be rendered a market for the gold, and the result would be a heavy accumulation of gold at the artificial premium or to borrow it at an exorbitant rate of interest. The cotton trade was, however, not so much affected, and the result was a heavy accumulation of cotton in the hands of the exporters, and in the carrying out of which in a couple of instances the funds of a large corporation, to the extent of several millions of dollars, were expended in the carrying out of the view to compel borrowers, under the pressure of the necessity to remit, to pay as high as two per cent, per day for the use of the gold.

The fluctuation in monetary values, caused by these manœuvres, have, during the year, very greatly increased the risk of business enterprise, and have, in fact, rendered the market for the industrial and commercial recuperation of the country; and in this fact is found the key to the explanation of the depression of the country during the year, prolonged even as late as the middle of December; the uncertainty of realization in commercial and manufacturing enterprises, and the consequent suspension of large amounts of capital—which would otherwise have been absorbed in the development of the country, and the consequent suspension of operations. It is, seen, therefore, that the December disasters of 1868, have been due to causes very different from those which produced the depression of the country during the year.

The remedy for this state of affairs, it is urged, would be found in resumption at whatever cost; and, in fact, the remedy would be found in the application of the principles of the remedy could not but be worse than the disease, by killing out a patient of whom a more conservative treatment would have been

[illegible]

FIRES.

[illegible][illegible][illegible]